

Top Secret
No Foreign Dissem



Weekly Review

APPROVED FOR RELEASE

DATE:

Top Secret

13 September 1974

Copy **Nº 625**

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CHILE: A YEAR LATER

The military government marked its first year in power on September 11 without incidents by leftists. The anniversary was highlighted by junta President Pinochet's speech.

Two of his announcements could have a major effect on the treatment of present prisoners and future offenders. Pinochet ended the state of internal war, thereby placing military courts under less severe peacetime rules on offenses, punishments, and appeals. The courts will continue to function under the state of siege.

Pinochet further declared that the government is "disposed" to release en masse prisoners who want to leave the country for good, and challenged Cuba and the Soviet Union to make a similar gesture. Positive responses probably will not be preconditions for Chilean action, however. In fact, former ambassador to the US Letelier already has been released.

On the economic front, Pinochet disclosed that automatic quarterly wage readjustments henceforth will keep pace fully with increases in the cost of living. This move to ease the economic

squeeze on wage and salary earners will help keep discontent over the austere recovery program from ballooning into general disaffection with the government, but it will also hinder the fight against inflation.

The remoteness of return to civilian rule was emphasized by some of the junta President's strongest language yet on the evils of politics. Noting that in the period prior to the military's overthrow of president Allende's Marxist government political parties had become "the symbols of national divisions and decay," Pinochet declared that resumption of political activity would have to await the emergence of a "new generation of Chileans" dedicated to national rather than partisan causes.

Pinochet brought his audience of regime officials and supporters to its feet with a peroration that pictured their country as a small nation locked in "frontal combat" with the forces of international communism and declared that, united, Chile would prevail. [REDACTED]

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